

**INDEPENDENT ACCOUNTANT'S REPORT ON  
APPLYING AGREED UPON PROCEDURES FOR  
COMPLIANCE WITH THE PROPOSITION 111  
2014-2015 APPROPRIATIONS LIMIT INCREMENT**

Honorable Mayor and Members of the City Council  
City of Hayward, California

We have performed the procedures below to the Appropriations Limit Worksheet which were agreed to by the City of Hayward, California, for the year ended June 30, 2015. These procedures, which were suggested by the League of California Cities and presented in their Article XIII B Appropriations Limitation Uniform Guidelines, were performed solely to assist you in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution. Management is responsible for the Appropriations Limit Worksheet. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the City. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures you requested us to perform and our findings were as follows:

- A. We obtained the Appropriations Limit Worksheet and determined that the revised 2014-2015 Appropriations Limit of \$256,614,221 and annual adjustment factors were adopted by Resolution #15-185 of the City Council. The originally adopted limit of \$265,614,221 did not agree with the calculated limit by \$9,000,000 due to a transposition error by staff and therefore was subsequently revised and readopted by Resolution #15-185. We also determined that the population and inflation options were selected by a recorded vote of the City Council.
- B. We computed the revised 2014-2015 Appropriations Limit of \$256,614,221 by multiplying the 2013-2014 Prior Year Appropriations Limit by the Total Growth Factor. We recomputed the total Growth Factor by multiplying the inflation option by the population option.
- C. For the Appropriations Limit Worksheet, we agreed the Per Capita Income, City Population and County Population Factors to California State Department of Finance Worksheets.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the Appropriations Limit Worksheet. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management and the City Council; however, this restriction is not intended to limit the distribution of this report, which is a matter of public record.

A handwritten signature in black ink that reads 'Maze & Associates'.

Pleasant Hill, California  
December 17, 2015